

ELECTRONICALLY FILED - 2019 May 28 11:56 AM - SCPSC - Docket # 2019-181-E - Page 1 of 4

Application of Duke Energy Progress,
LLC for Approval of the Transfer and
Sale of Property in Holly Springs, North
Carolina

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APPLICATION FOR
APPROVAL OF TRANSFER
AND SALE OF PROPERTY

1. The name and address of the Applicant is

Duke Energy Progress, LLC
550 South Tryon Street
Charlotte, North Carolina 28202

2. The name and address of the Applicant's attorneys are:

Heather Shirley Smith, Deputy General Counsel
Rebecca J. Dulin, Associate General Counsel
Duke Energy Corporation
40 West Broad St., Suite 690
Greenville, South Carolina 29601
Telephone: (864) 370-5045
heather.smith@duke-energy.com
rebecca.dulin@duke-energy.com

and

Frank R. Ellerbe, III (S.C. Bar No. 01866)
Samuel J. Wellborn (S.C. Bar No. 101979)
ROBINSON GRAY STEPP & LAFFITTE, LLC
Post Office Box 11449
Columbia, South Carolina 29211
Telephone: (803) 227-1112
fellerbe@robinsongray.com
swellborn@robinsongray.com

3. Copies of all pleadings, orders or correspondence in this proceeding should be served upon the attorneys listed above.

4. DEP is a public utility engaged in the generation, transmission, distribution, and sale of electric energy in South Carolina and is subject to the jurisdiction of this Commission.

5. The Property consists of certain real estate that is not required for DEP's current utility operations. The property is a parcel of vacant land of 139.976 acres. The Commission previously approved the sale and transfer of another DEP-owned parcel of land in Holly Springs, NC, in Order No. 2018-235 issued in Docket No. 2018-79-E.

6. The Property is being sold to ABCZ Ventures LLC, a North Carolina limited liability company. DEP is not affiliated in any way with ABCZ Ventures LLC, and this transaction will not affect DEP's ability to provide reliable service to its customers at just and reasonable rates.

7. The Property is located south of Holly Springs New Hill Road in Wake County, North Carolina. The Property was acquired by DEP-predecessor Carolina Power & Light as part of the development of the Shearon Harris Nuclear Plant, is currently owned by Duke Energy Progress, and it has been determined that the Property is surplus.

8. DEP has entered a contract with ABCZ Ventures LLC to sell the Property for \$7,000,000. The Property has a calculated tax value of \$5,712,503. An appraisal of the Property completed on October 24, 2018 valued the Property at \$7,000,000. The appraisal is included herewith as Exhibit A. The Property has a current net book value of \$111,080. The Property is zoned as a Research and Technology District, which provides for the development of assembly and light manufacturing or processing facilities.

9. The original cost of the Property being sold will be credited as a reduction of the amount carried upon the books of DEP under Account 101, "Electric Plant in Service." The difference between the sales price and the original cost of the non-depreciable Property will be applied to Account 421.10, "Gain on Disposition of Property."

10. The South Carolina Office of Regulatory Staff has been served with a copy of this application. S.C. Code Ann. § 58-27-1300 provides that an electric utility must first obtain Commission approval prior to selling or otherwise transferring utility property with a fair market value greater than \$1 million. Therefore, DEP applies to the Commission for permission to sell the Property.

11. Applicant requests that this Commission: (i) approve this matter at the next appropriate weekly agenda session; (ii) issue an order approving the relief sought in the DEP's Application; and (iii) grant such other and further relief as this Commission may deem just and proper.

WHEREFORE, Applicant prays that, pursuant to S.C. Code § 58-27-1300 and other applicable rules and regulations, the Commission enter an order approving the transfer and sale of the Property.

Dated this 28th day of May, 2019.

Heather Shirley Smith, Deputy General Counsel
Rebecca J. Dulin, Associate General Counsel
Duke Energy Corporation
40 West Broad St., Suite 690
Greenville, South Carolina 29601
Telephone: (864) 370-5045
heather.smith@duke-energy.com
rebecca.dulin@duke-energy.com

and

s/Samuel J. Wellborn

Frank R. Ellerbe, III (S.C. Bar No. 01866)
Samuel J. Wellborn (S.C. Bar No. 101979)
ROBINSON GRAY STEPP & LAFFITTE, LLC
Post Office Box 11449
Columbia, South Carolina 29211
Telephone: (803) 929-1400
fellerbe@robinsongray.com
swellborn@robinsongray.com

Attorneys for Duke Energy Progress, LLC